



CORPORATE SOCIAL RESPONSIBILITY POLICY

**GANESH BENZOPLAST
LIMITED**



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[Under Section 135 of Companies Act, 2013]

The Corporate Social Responsibility (CSR) Policy of Ganesh Benzoplast Limited ('the Company') has been developed in accordance with Section 135 of the Companies Act 2013 on CSR and in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments thereof duly notified by the Ministry of Corporate Affairs.

Objective

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society. GANESH BENZOPLAST LIMITED (GBL) act as a good corporate citizen and aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

Applicability

This Policy shall apply to all CSR activities taken up by the Company, covered under sub-rule (1) of Rule 4 of Companies (Corporate Social Responsibility Policy) Rules, 2014, at the various locations in India and for the benefits of different segments of the society in accordance with the guidelines enlisted in the Schedule VII of the Companies Act, 2013 and amendments thereof.

1. CSR Activities

The Company shall endeavour to provide adequate budget for CSR project/program in consonance with Schedule VII of the Companies Act, 2013 with emphasis on:

[(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.



(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.

(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

(vi) training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports

(vii) contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

(viii) rural development projects

(ix) Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

2. Guiding principles for selection of CSR Activities

The CSR Committee shall identify and undertake some of the areas mentioned above on year-to-year basis.

The Board and CSR Committee shall oversee the CSR Objects of the company.

The CSR Committee shall recommend to the Board, the activities to be undertaken by the Company.

The power to approve CSR activities to be recommended by the CSR Committee of the Board, shall vest with the Board of Directors of the Company as per Companies Act, 2013 & Companies (Corporate Social Responsibility Policy) Rules, 2014.

3. Implementation of CSR activities

The Company shall implement the identified CSR Projects by the following means:

1. The Company may itself implement the identified CSR Projects presently within the scope and ambit of the Areas as defined in the Policy;



2. The Company may undertake the CSR activities through entity(ies) covered under sub-rule (1) of Rule 4 of Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.
3. The Company, may collaborate with other companies, including its Group Companies if required, for fulfilling its CSR objectives provided that the CSR Committees of respective companies are in a position to monitor separately such CSR Projects.

4. Duties and responsibilities

i. Board of Directors

- a) The Board shall include in its Report the annual report on CSR Projects as per the format provided in the Annexure II to the Rules, as amended from time to time.
- b) Approve the CSR Policy after taking into account the recommendations made by the CSR Committee.
- c) Disclose reasons for not spending the amount (if applicable) in the Annual Report to the Shareholders of the Company.
- d) Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board / CSR Committee and the Managing Director/Chief Financial Officer shall certify to the effect.
- e) To approve the conversion of one year CSR project into ongoing CSR project and where amount doesn't relate to any ongoing project, and Company fail to spend the same, the unspent CSR amount to be transferred to a Fund specified in Schedule VII, within 6 months of close of financial year, in addition to disclosure of reasons to be made in the Board Report for not spending the said CSR amount.
- f) Ensure that the administrative overheads are not more than 5% of the total CSR Expenditure of the Company for the financial year.
- g) Approve transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of the Company shall prepare the statement of spent and unspent CSR amounts and shall assist and facilitate for transfer of the same.



ii. CSR Committee

- a) The CSR Committee shall formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 (as amended from time to time).
- b) The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan.
- c) In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.
- d) The CSR Committee shall place before the Board the draft annual report as per the format in Annexure II to the Rules in Board meeting for Board review and finalization.
- e) The CSR Committee shall ensure that the CSR Policy, composition of the CSR Committee and Projects approved by the Board are displayed on the Company's website.
- f) CSR Plan may be revised/modified/amended by the CSR Committee at such intervals as it may deem fit.

5. CSR Budget allocation

1. The Company, in every Financial Year, shall endeavor to spend at least 2% of Company's average Net profits for the three immediately preceding Financial Years.
2. The CSR Committee shall prepare a CSR Annual Action Plan for the above which shall include:
 - a. Identified CSR Projects
 - b. CSR expenditure
 - c. Implementation Schedules including manner of execution, fund utilization, monitoring mechanism, etc.
3. Total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation by the CSR Committee. The Board can alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.



4. In case the Company fails to spend the statutory minimum limit of 2% of Company's average net profits of the immediately preceding three years, in any given financial year, the unspent amount, relating to a project, other than ongoing project, shall be transferred to any fund included in Schedule VII of the Act (until a fund is specified in Schedule VII of the Act) within a period of six months from the expiry of the financial year and Board shall specify the reasons for the same in its report in terms of clause (o) of sub-section (3) of section 134.

6. Unspent Amount

The unspent amount relating to ongoing project shall be transferred within a period of thirty days from the end of the financial year (FY) to a special account which will be opened by the Company in that behalf in any scheduled bank to be called 'Unspent Corporate Social Responsibility (CSR) Account and such amount will be spent by the Company in pursuance of its obligation towards the CSR Policy within a period of three financial years from the date of such transfer, excluding the FY for which CSR spend pertain, failing which the Company will transfer the same to a fund specified in Schedule VII within a period of thirty days from the date of completion of third financial year.

7. Others

1. The CSR Projects can be identified on need basis for implementation in a given year for the areas defined in this Policy.
2. The Company's CSR Committee shall formulate and recommend to the Board, an annual action plan at the beginning of every financial year in pursuance of its CSR Policy, which shall include the following:
 - i. The list of CSR projects or programs that are approved to be undertaken in the areas or subjects specified in Schedule VII of the Act;
 - ii. The manner of execution of such projects or programs;
 - iii. The modalities of utilization of funds and implementation schedules for the projects or programs;
 - iv. Monitoring and reporting mechanism for the projects or programs;
 - v. Details of need and impact assessment, if mandated under the law, for the projects undertaken by the company

If CSR amount is spent by the company for creation or acquisition of a capital asset, it shall be held by Section 8 company or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of rule 4; or beneficiaries of said CSR project in form of self-help groups, collectives, entities or a public authority.



8. CSR Expenditure

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Programmes shall be used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure. A specific budget is allocated for CSR activities. This budget is project driven.

9. CSR Reporting

Impact assessment, if and when mandated, will be undertaken by an independent agency and such impact assessment report shall be placed before the Board and annexed to the annual report of CSR.

10. Transfer of unspent CSR amount

The unspent CSR amount, if any, shall be transferred by the Company to any fund included in schedule VII of the Act and or a fund is / to be specified in Schedule VII of the Act.

11. Review of Policy

The Board of Directors, either on its own or as per the recommendations of CSR Committee, can amend this Policy, as and when required. The decision of the Board of Directors on all matters, relating to this Policy, shall be final and binding upon all concerned. This Policy is subject to continuous review and updates as required from time to time.